



**State Board of Accounts
Township Annual Meeting
Fall 2014**

Contact Information

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SBOA Website

- www.in.gov/sboa
- **Current and Prior Reports**
- **Indiana Township Manual**
- **Quarterly Township Bulletin**
- **Meeting Materials**
- **Electronic Forms (Conflict of Interest Disclosure)**

SBOA Exam Coordinators

1. Mary Jo Small (masmall@sboafe.in.gov)
Lake, Porter, LaPorte, St. Joseph, Marshall, Starke, Newton, Jasper, Pulaski, Fulton, Cass, Carroll, White, and Benton
2. Dean Gerlach (dgerlach@sboafe.in.gov)
Elkhart, LaGrange, Stueben, DeKalb, Noble, Kokciusko, Whitley, Allen, Adams, Wells, Huntington, Wabash, Miami, Howard, Grant, Blackford, Jay, Randolph, Delaware, and Tipton
3. Tammy Baker (tbaker@sboa.in.gov)
Hamilton, Madison, Marion, Hancock, Henry, Wayne, Union, Fayette, Rush, Shelby, Johnson, Brown, Bartholomew, Decatur, and Franklin
4. Ron Robertson (rrobertson@sboafe.in.gov)
Jackson, Jennings, Ripley, Dearborn, Ohio, Switzerland, Jefferson, Scott, Clark, Floyd, Harrison, Washington, Orange, Crawford, Perry, Dubois, Spencer, Warrick, Pike, Gibson, Posey, and Vanderburgh
5. Gina Gambaiani (ggambaiani@sboafe.in.gov)
Warren, Tippecanoe, Clinton, Boone, Montgomery, Fountain, Vermillion, Parke, Putnam, Hendricks, Morgan, Owen, Clay, Vigo, Sullivan, Greene, Monroe, Lawrence, Martin, Daviess, and Knox

Salary Resolution

- o **IC 36-6-6-10(b) - The township legislative body shall fix the: (1) salaries; (2) wages; (3) rates of hourly pay; and (4) remuneration other than statutory allowances; of all officers and employees of the township.**
- o **Township Form 17 was created to document all of the requirements to meet IC 36-6-6-10(b) and a sample of the form can be found in the appendix of the Township Manual.**

Salary Resolution cont.

Microsoft Excel - Township Form No. 11 (Rev. 2008)

File Home Insert Page Layout Formulas Data Review View

G6

1 Prescribed by State Board of Accounts

2

3 RESOLUTION

4 ESTABLISHING SALARIES OF TOWNSHIP OFFICERS AND EMPLOYEES

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6

7

8

9 BE IT RESOLVED by the Township Board of _____ Township

10 _____ County, Indiana,

11

12 That pursuant to IC 36-6-6-10(b), the salaries stated below are fixed for the officers and employees of the township

13 year _____.

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17

18

19 POSITION OF OFFICE Number of Rate of Per *

20 Positions Compensation year

21 Township Trustee 1 5000 year

22 Township Clerk

23 Members of the Township Board

24

25

26

27

28 Fire Department Personnel

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30

31

32

33 Township Assistance Personnel

34 Supervisors of Investigators

35 Investigators - Calling _____ (Trustee) 1 1000 year

36

37

38 Supervisors of Other Assistants

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40 Other Assistants

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43

44

45 Other Employees (Detail)

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50 ADOPTED this _____ day of _____, _____.

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59 Attest: _____

60 Township Trustee Members of the Township Board

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63 * Show: per year, per month, per day, etc.

64

65

66 Include in this resolution ALL officers and employees of the township.

67

Trustee Compensation

- We continue to receive inquiries concerning trustees receiving compensation for cemetery care, township assistance investigations, weed eradication, fire territory administrators is the provider unit, etc. Some of the situations involve payment from funds other than the township fund, e.g. the township assistance fund.
- IC 36-6-4-3: list trustees' duties and responsibilities.
- IC 36-6-6-10: gives board authority to establish salaries. Not allowed to change during year.
- We are not aware of any statutory provisions which would allow a trustee to circumvent a township board's authority to "fix the salaries" of a trustee by "contracting with themselves" to provide for cemetery care, township assistance investigations, weed eradication, and other statutory duties. etc.

Therefore, the State Board of Accounts is of the audit position that compensation provided by a township board in accordance with IC 36-6-6-10 is all inclusive for all duties performed by a trustee. We will request reimbursement for any payments received above the compensation established for any township trustee, board member or employee by IC 36-6-6-10.

IC 36-1-20.2 Nepotism

- o Does not apply to people employed prior to July 1, 2012.**
- o Board can adopt more stringent policy.**
- o Exemption for Trustee relative if office is in Trustee's home and position pay does not exceed \$5,000.**
- o Each elected officer must certify annually that they did not violate statute prior to December 31st.**

Nepotism cont.

- o Noncompliance shall be reported to DLGF**
- o Unit Question on Gateway 100R report**
- o Review during examination**

Budget or additional appropriation will not be approved.

IC 36-1-21 Contracting With a Unit

- o Board can adopt more stringent policy.**
- o A unit may enter into a contract or renew a contract only if the requirements of this section are satisfied and the elected official does not violate IC 35-44.1-1-4.**
- o Each elected officer must certify annually that they did not violate statute prior to December 31st.**

Contracting With a Unit cont.

- o Noncompliance shall be reported to DLGF**
 - o Unit Question on Gateway 100R report**
 - o Review during examination**
- o Budget or additional appropriation will not be approved.**

Failure to File Reports

o IC 5-11-1-10

- o Any official that fails to file Annual Report
- o Any official that fails to follow the directions of the State Examiner
- o Any official that refuses to provide records or interferes with an examination
- o Commits a Class B Infraction and forfeits office

o IC 5-11-13-3

- o Any official that fails to file 100R
- o Commits a Class C Infraction and is subject to removal from office.

Expiration of Term

o **IC 36-6-4-14**

- o **Must deliver all records and property, except records necessary to complete annual report**
 - o **Must deliver annual report and any records retained by 2nd Monday in January (1-12-15)**
 - o **Attend annual meeting and answer inquiries from Township Board to the transactions of the preceding year.**
-
- o **We suggest the outgoing trustee prepare in duplicate an itemized inventory of equipment and other assets owned by the township on December 31, to be signed by the successor and outgoing trustee. One copy is for the outgoing trustee and one copy is to be kept by the incoming trustee as a township record.**

Vacancies

- o **IC 3-13-10-1**

- o **Generally, vacancies in the office of township trustee shall be filled by a party caucus of the same political party as the officer who vacated the office. See IC 3-13-10-2 for vacancies required to filled by the county commissioners.**

- o **IC 3-13-10-8**

- o **Every trustee so appointed shall continue in office for the remainder of the term.**

- o **IC 3-13-10-2**

- o **If a vacancy occurs and there is no political party affiliation, the county auditor shall call a special session of the board of commissioners without delay to fill the vacancy. If the commissioners are already meeting, the appointment shall be made without delay.**

- o **IC 3-13-11-12 and IC 3-13-11-17**

- o **When a vacancy has been created in the office of township trustee for the period of time between when the vacancy occurs and when the vacancy is filled, the chief deputy employee of the trustee assumes the duties of the township trustee. If no chief deputy employee exists, the chairman of the township board assumes the duties of the township trustee.**

Cash Reconcilements

- o **IC 5-13-6-1(e)**
 - o **All local investment officers shall reconcile at least monthly the balance of public funds, as disclosed by the records of the local officers, with the balance statements provided by the respective depositories.**
- o **Township Manual Chapter 13 page 5**
 - o **At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund.**
- o **Document**
 - o **Trustee created form**
 - o **Back of statements**

Township Assistance Standards

o IC 12-20-5.5-1

- o Trustee shall process township assistance applications according to written uniform standards**
- o Standards shall be proposed by the Trustee and adopted by the Township Board**
- o Reviewed and updated annually**
- o Published in a single document**
- o Posted in prominently in township offices to take in township assistance applications.**

Optical Images of Checks

o 26-2-8-111

- o If a law requires retention of a check, that requirement is satisfied by retention of an electronic record of the information on the front and back of the check.
- o The electronic form must accurately reflect the information set forth in the record after it was first generated in its final form as an electronic record or otherwise; and remains accessible for later reference

Forms Approval

- o **March 2014 Township Bulletin Volume 304**
 - o **Governments are required by law to use the forms prescribed by this department. However, if it is desirable to use a form other than the prescribed manual form, that is not an exact replica; the new form must be approved by State Board of Accounts.**
 - o **Exact replicas are the equivalent of the prescribed form and require no further action for the township to install the form within their accounting system.**

Forms Approval cont.

- **After April 1, 2014, if a government implements, consistent with the provisions of Indiana Code and Uniform Compliance Guidelines, an automated accounting system that is to be considered for approval, the responsible official is not required to maintain the prescribed forms replaced by the automated system while awaiting the approval. New forms must be in place during at least one (1) State Board of Accounts audit and must not be an element of an audit finding or audit result and comment that is responsible or partially responsible for an exception found during an audit to be considered approved. The government is responsible for placing on new forms the year of installation in the upper right corner. This reference should be similar to “Installed in _____ Township, (Year).” The township must maintain and present for audit a log of forms installed after April 1, 2014 with the year installed for all forms that replace forms prescribed by State Board of Accounts.**



2014 Public Law Changes

www.in.gov/legislative/

Senate Enrolled Act 58

Public Law 4

Amends IC 10-17-13-5; IC 10-18-8-1; and IC 21-41-10-10

Local appropriation for Memorial Day Expenses

Effective July 1, 2014

Removes an outdated list of veterans' organizations from the statute authorizing counties, townships, cities, and towns to appropriate money to veterans' organizations to defray the expenses of Memorial Day. Makes conforming changes.

Senate Enrolled Act 60

Public Law 19

Representation of judges in mandate of funds litigation

Effective July 1, 2014

Adds Noncode Provision – Urges the legislative council to assign the topic of the representation of judges and payment of attorney fees in judicial mandate actions to an interim study committee.

Senate Enrolled Act 32
Public Law 80
Public Official Bonding
Effective Upon Passage

Adds Noncode Provision – Urges the legislative council to assign to an appropriate study committee the topic of the bonding of elected public officials.

Senate Enrolled Act 106

Public Law 84

Amends IC 5-14-3.8-3; Adds IC 5-14-3.8-8; and IC 6-1.1-20.3-15

Local government transparency

Effective Upon passage

Requires the department of local government finance (DLGF) to develop indicators of fiscal health for school corporations and other political subdivisions. Requires the DLGF to present information for evaluating the fiscal health of political subdivisions on the Indiana transparency Internet web site through conveniently and easily accessed dashboards. Prohibits the department of local government finance and other state agencies from using the fiscal health indicators to assign a school corporation or political subdivision a summative grade. Allows political subdivisions to request technical assistance from the distressed unit appeals board (DUAB) beginning in 2015.

Senate Enrolled Act 225

Public Law 91

Amends IC 5-10-8-2.2; IC 5-10-8-2.6; and IC 5-10-8-6.6

Various state and local financial matters

Effective July 1, 2014

**Eliminates local unit participation
in the state employee health plan.**

Senate Enrolled Act 260

Public Law 95

Adds IC 36-1-4-20; Amends IC 36-7-14-12.2; IC 36-7-15.1-7; IC 36-7-30-9; and IC 36-7-30.5-15

Assistance for military facilities

Effective July 1, 2014

Authorizes units of local government to expend money: (1) in direct support of an active military base located within the unit or an entity located in the territory or facilities of a military base or former military base (or territory or facilities of the United States Department of Defense) that are scheduled for closing or are completely or partially inactive or closed; and (2) in support of any other entity that provides services or direct support to such an active military base or such an entity. Provides that redevelopment commissions, military base reuse authorities, and military base development authorities may, subject to prior approval by the unit's fiscal body, expend money and provide financial assistance (including grants and loans) to such active military bases and to such entities. Provides that the fiscal body of the unit that established such a commission or authority must separately approve each grant, loan, or other expenditure for financial assistance provided by the commission or authority under these provisions. Provides that the terms of any loan made under these provisions by a commission or authority may be changed only if the change is approved by the fiscal body of the unit that established the commission or authority. Excludes certain counties.

Senate Enrolled Act 332
Public Law 102
Amends IC 5-13-9-2
State and local investments
Effective July 1, 2014

**Provides that investments in
municipal securities must have a
stated final maturity of five years or
less.**

House Enrolled Act 1062

Public Law 120

Amends IC 5-1-5-2.5; Adds IC 6-1.1-17-22

Local government finance

Effective Upon Passage

Provides that for all political subdivisions, the maximum amount allowed for an operating balance for a debt service fund is 50% of the budget estimate for annual debt service payments from the fund for debt originally incurred before July 1, 2014, including refinanced debt, and 15% on debt originally incurred after June 30, 2014.

Senate Enrolled Act 367

Public Law 166

Amends IC 5-13-6-3; IC 6-1.1-18.5-13.7; IC 6-1.1-20.6-4; and IC 36-6-4-13

Property tax matters

Effective Some effective upon passage and some July 1, 2014

Specifies that the county auditor (rather than the county treasurer, under current law) makes certain requested advances to political subdivisions within the county.

Provides that for purposes of the circuit breaker credit, residential property: (1) includes a single family dwelling that is under construction and the land, not exceeding one acre, on which the dwelling will be located; and (2) excludes real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

Specifies that delinquent penalties, fees, and interest are included in the amounts due for determining whether a parcel is included on the delinquency list for purposes of the tax sale law. Makes the 2012 maximum property tax levy adjustment for Fairfield Township in Tippecanoe County permanent. Requires township trustees to publish the annual abstract of receipts and expenditures within four weeks after the third Tuesday following the first Monday in February.

House Enrolled Act 1266

Public Law 183

Amends IC 6-1.1-17-13; IC 6-1.1-17-16; and IC 36-8-19-8

Local government finance issues

Effective July 1, 2014

Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway. Provides that publication requirements in current law continue in 2014 for 2015 budgets (along with the new requirements added in the bill concerning submission of budget and levy information to the DLGF's computer gateway). Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information.



Questions?